

INDIVIDUAL CAREER IN THE CURRENT ECONOMIC CRISIS

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Abstract:

Human resources represent the creative, active and coordinating element of the organisational activity, having a strong influence on the efficiency of the use of material, financial and information resources. The description of people as "resources" highlights their importance and shows that their management requires high levels of genuine care and attention to people and professionalism. 2010 and 2011 are very difficult years for those who want to find a job. Flexibility and a decent salary are the reference words. The economy in a turbulent situation does not guarantee the safety of the jobs. The university graduates must make efforts and prove to have communication skills in order to obtain or keep the desired position. Our paper focusses on the aspects of career development for the young university graduates, thus treating a subject of wide interest these days.

Keywords: job, career development, flexibility, university graduates labour force

Introduction

The human resources plan is conceived according to the organisational strategy. As the company identifies the available development opportunities, they should be correlated to the skills needed for their accomplishment. Recruitment, training and incentive programmes are created in order to attract, develop and keep the people with the required skills. Highlighting the role of the human resources does not signify yet an underestimation of the other resources. The systematic construction of the company involves the interdependent use of resources, starting from the fundamental objectives which require that the essential connections should work together. Overburdening the human resources in the disadvantage of the others influences the dynamic equilibrium of the organisation.

The current labour market is continuously changing. The employees

should make proof of a lot of flexibility. The reduction of 25% in the wages of the state employees and the raise of the VAT rate by 5 percents to 24% represents a terrible loss for the private economy. At first sight, the employees of the private sector do not lose so much ... in reality, the situation is different. The decrease of the purchasing power of such a great number of employees will act as a boomerang on the private economy in lower incomes which will entail massive dismissals in the private sector as well as in the public sector, thus the unemployment rate will soar and consequently the competition on the labour market will increase.

The unemployment rate in Central and Eastern Europe will go beyond 10 percent, in 2010, according to the Vienna Institute for International Economic Studies (WIIW) which foresees a peak for the unemployment rate this year [1]. Before the economic

crisis, the average unemployment rate in these countries was 6.5 percent, smaller than in the Western Europe, according to the same institute. As the institute estimates, there will be required 3 up to 5 years so that the unemployment rate in these countries should go back to the level they had before the crisis. The most affected sectors will be constructions and industry, while services and the public sector will be less harmed.

Objectives and method

Our study aims to analyse the insertion of the university graduates in the labour market. There was established a target group of 46 master students in the first year of study, graduating from Marketing, Economy and Tourism, Accountancy, Textile Economic Engineering, Knitwear and Garments, Machine Technology and Construction, Mechanics, Language and Literature and Arts.

The situation on the Romanian labour market. Finding a job for the newly graduates is very difficult in the current economic context. The target group had an initial employment rate of 78%. There were taken into consideration the defining elements of the relationships on the labour market, elements which appear in the case study. The purpose of the study was the current and future situation of the future graduates. The target group was monitored during March-June 2010. Our study is part of a bigger project which will monitor the target group until their graduation in July 2011.

Case Study – University graduates labour force

In Romania, the number of employees decreased, during the first part of 2010, by 1.6%, while the number of employees in the EU presented an average decrease of 1.2%, according to the Eurostat data, published in June 2010 [2]. According to the same source,

the highest decline was recorded in industry and constructions. The unemployment rate in Romania changed from 5.6% to 7.67% in one year, as the data published by the National Agency of Labour Force announced [3]. The county of Vaslui presents the highest number of unemployed from the total number of inhabitants, while Bucharest scores the smallest rate. The total number of registered unemployed people was 701,000 people at the end of May, the highest number of unemployed recorded at the end of March 2003. The highest unemployment rates were present in the counties of Vaslui (14,10%), Mehedinti (12,99%) and Teleorman (12,37%), while the lowest were in Bucharest, (2,5%), Ilfov (2,85%) and Timis (4,5%).

What is the situation of the qualified labour force at the moment?

In March 2010, GfK the market research company made a research with the graduates from short university courses [4]. The collected data showed that only 2% of the university graduates continue studies in an MBA, as the masters degree is the educational form easily available for the ones who wish to continue studies and it is chosen by a quarter of the university graduates. The research used a sample of 600 respondents aged between 18 and 44, living in towns, highschool or university graduates.

The results of the research also show that more than a third from the young people graduating from the university continue their studies. The greatest majority go on with their studies during the first 3 years after the university and almost half of them, the ones more keen on studying, attend more than one supplementary school (second university degree, postgraduate degree or masters degree). The research also reveals that the over-qualified young people work in private

companies with more than 50 employers.

Passion and interest for one particular field and the desire to become a better professional are the main reasons which determine the young university graduates to continue their studies after graduating from the first university. For a quarter of the people who deepened their knowledge, the decisive factor was obtaining a better paid job. Half of the respondents did not attend any professional or personal training during 2009.

Young people are always looking for a source to finance the personal development courses – one third attended the courses for free and another third benefited from the help

given by the companies they work for. A quarter of them paid for the courses themselves.

In order to find what motivates young people and what are their interests in the field, we conceived and applied a questionnaire during March – April 2010 regarding the work status of the master students from the first year of the degree, aged between 22 and 27. There were filled out 46 valid questionnaires. The results of the study are presented below (figures 1 to 7).

Out of the group under study, 78% have a job (figure 1). Out of these, 78% have a full time, 8% part-time, 8% project time job, and 6% seasonal job (figure 2).



Figure 1. Student`s work status

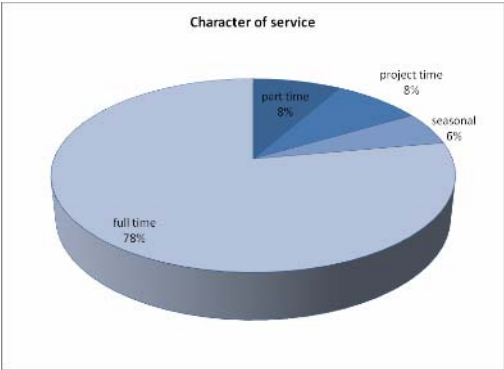


Figure 2. Character of service

The income, as well as gathering experience are on top of the respondents' preferences (figure 3). The data also show that, during this period of economic crisis, the business prestige of the company in which the

master students are working is not an important factor, although it should have been an important detail in choosing their job. The flexible working-hours and the colleagues are also important factors in their employment decision.

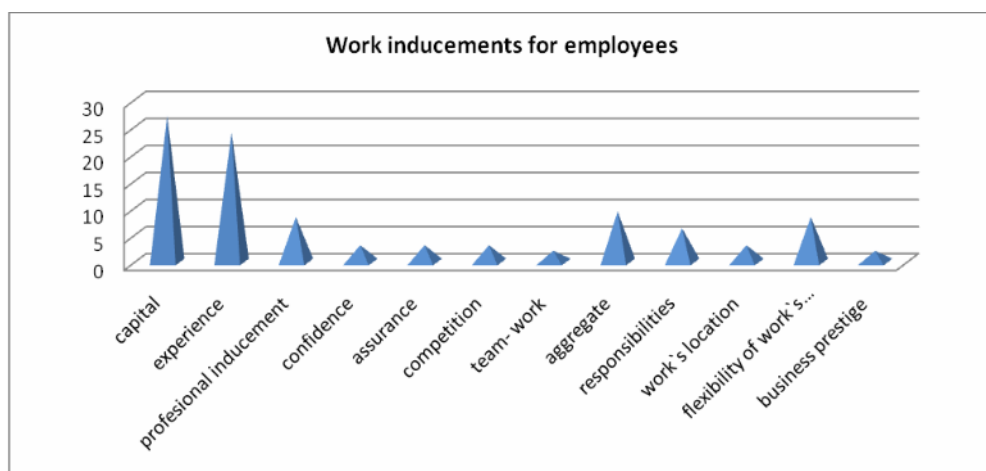


Figure 3. Work inducements for employees

As regards the factors in favour of quitting the present job (figure 4), the most important thing for the young people are their studies and they prove to be willing to give up their job should it endanger continuing their studies. The wages received for the time spent at work ranks on the second place as main reasons to quit their job, at a short

distance from the working conditions. The impossibility to promote or lack of working records are, on the other hand, less stronger reasons to quit their job, as they agreed to work without records. Personal problems or lack of seriousness from the part of the employer are not strong reasons in the opinion of university graduates.

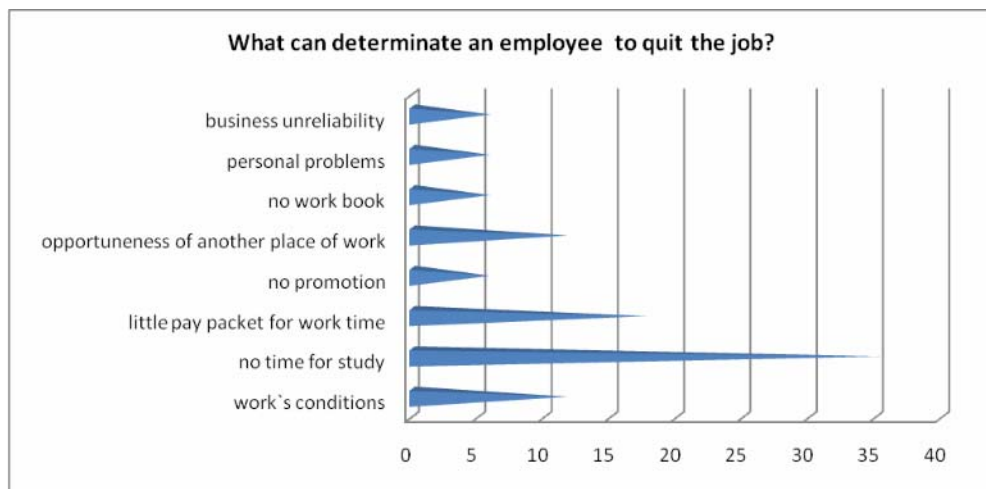


Figure 4. Reasons to quit the job

The wages represent a touchstone for the establishment of work relationships with the employer. The master students do not claim work records, do not require seriousness and

abiding the laws in force regarding working conditions, declaring to be content with flexible working hours, in spite of trainings and civilised working conditions (figure 5).



Figure 5. Requirements for the employers

56% of the respondents declared to be content with their present job, 44% look for a more suitable job, according to the same study. The majority is in favour of finding a new job using recruitment sites and advertisements in the newspapers (figure 6). The County

Agencies of Labor Force are neglected, as well as participating in job fairs. Some of them, although an irrelevant part from the statistical point of view consider getting supplementary certificates an advantage for an eventual change of job.

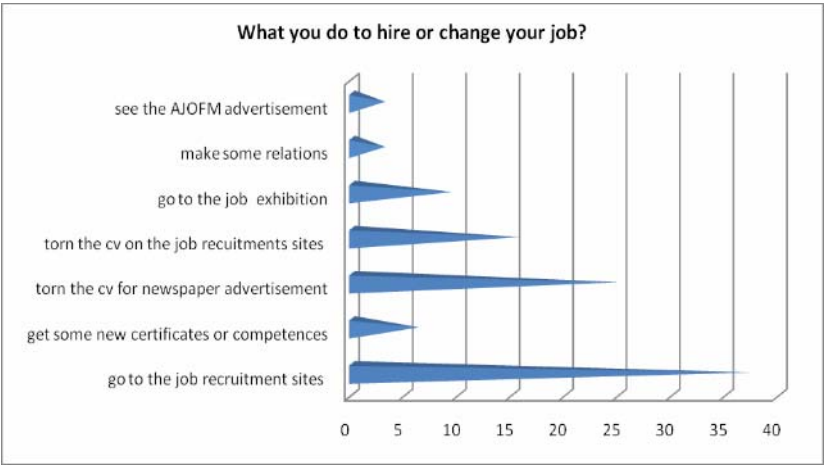


Figure 6. Sources of information to get a job

The gathered experience has a decisive role. The greate majority of the respondents declared to be content with the development of their communicating skills, new knowledge and team work. They have become more responsible, a

fact which could be noticed in better results at their job (most people opted for employment contracts for unlimited period of time) as well as in their university studies. (figure 7).

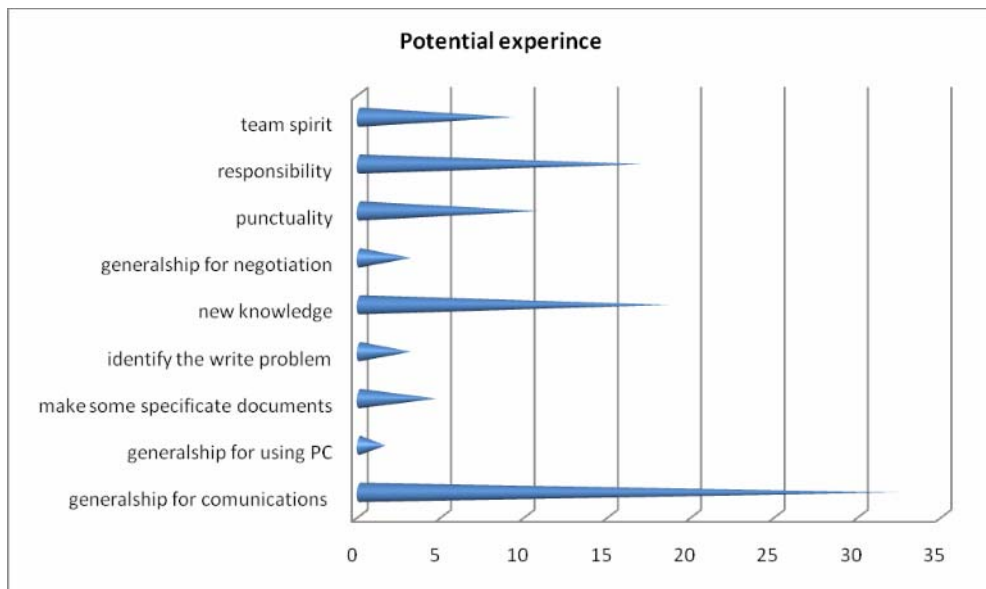


Figure 7. Potential experience

Conclusion

Our study, as well as the one made by GfK, shows that Romanian young people rank as important the studies and a flexible job intertwined with wages under the limits afforded by the employers. The employment rate in the moment of the survey was 78% for the master students included in the sample; in June the rate increased to

85%. Out of the 15% remained unemployed, a third got actively involved in projects of promotion and design for a multinational company, as part of a volunteering project, to gain experience. Thus, it seems that at least for the moment the master students have found the winning solution in their fight with the financial crisis.

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